

### § 211.3

defense or otherwise significantly improve the military security of that country.

(c) The policy set forth in this part also applies to Military Assistance Program (MAP) expenditures in all countries.

### § 211.3 Definitions.

(a) Regardless of how a charge is denominated in foreign law or regulation, the words “tax” and “taxes” include all direct or indirect foreign customs duties, import and export taxes, excises, fees and other charges imposed at the national, local or intermediate level of a foreign country other than charges for services rendered or for other consideration received.

(b) For example, taxes include but are not limited to purchase tax, sales tax, use tax, gross receipts tax, stamp tax, transfer tax, transaction tax, turnover tax, value added tax, service tax, trade tax, business tax, license tax, transportation tax, circulation tax, luxury tax, possession tax, production tax, registration tax, consumption tax, gasoline tax, real property tax, personal property tax, and gross income tax.

(c) The word “relief” includes any method, technique, or procedure by which the ultimate economic burden of a tax on DoD funds may be avoided or otherwise remedied, such as exemption, refund, or drawback.

### § 211.4 Policy.

It is the policy of the Department of Defense to secure, to the maximum extent practicable, effective relief from all foreign taxes wherever the ultimate economic burden of those taxes would, in the absence of such relief, be borne by funds appropriated or allocated to the Department of Defense (including MAP appropriations) or under the control of its nonappropriated fund activities. In those cases in which the total economic burden of a tax not readily identifiable in the normal course of business is so small that it may be considered a *de minimis* matter, or in which the administrative burden of securing effective relief from a tax in a particular instance would be out of proportion to the amount of the relief obtained,

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tax relief shall be considered impracticable.

### § 211.5 Responsibilities.

(a) The *General Counsel of the Department of Defense* shall:

(1) Provide overall supervision and direction of the DoD Foreign Tax Relief Program.

(2) Resolve any significant issues relating to the program.

(3) Designate those countries that come within § 211.2(b)(2)(ii) of this part.

(4) Direct the preparation of country tax law studies for countries not within the scope of § 211.2(b) of this part.

(5) Designate the DoD member of the Inter-Agency Committee on Foreign Tax Relief, established by the Department of State.

(b) The *Assistant Secretary of Defense (International Security Affairs)* shall monitor the negotiation and conclusion of international agreements subject to the Secretary’s approval authority under DoD Instruction 2050.1 Delegated Approval Authority to Negotiate and Conclude International Agreements, July 6, 1977,<sup>1</sup> to ensure that such agreements are compatible with the policy set forth in this part and any implementing guidance concerning that policy issued by the General Counsel of the Department of Defense.

(c) The *Chairman, Defense Acquisition Regulatory Council*, shall coordinate with the General Counsel of the Department of Defense before the issuance, amendment, or revision of any portion of the Defense Acquisition Regulatory System (or regulation, directive, circular, or other publication within the scope of 32 CFR part 160 that pertains to the implementation of the DoD Foreign Tax Relief Program.

(d) The *Assistant Secretary of Defense (Comptroller)* shall perform such fiscal functions as may be required to implement the DoD Foreign Tax Relief Program, including advice and assistance in the institution of procedures for collecting data, compiling reports, and performing internal audits.

(e) The *Secretary of each of the Military Departments* and the *Director of each of the Defense Agencies* shall issue

<sup>1</sup>See footnote 1 to § 209.5(d).